



Disposal Operations—Vietnam

by Lieutenant Colonel Arthur T. Buswell

Army logisticians have removed materiel from Vietnam valued at approximately \$5 billion since the phasedown of the war began. When the final U.S. units in-country stand down or re-deploy, the property disposal problem will be minor compared with those historically experienced.



Armey logisticians have recorded an impressive achievement with the retrograde and disposal of nearly two million tons of materiel from Vietnam. This is the first time that excess materiel has been identified, screened, and removed from a combat area while the fighting was still in progress.

As a result, the Government does not anticipate a materiel disposal problem of the magnitude that it has historically encountered at the end of previous wars. As early as 1847, following the war with Mexico, an Army bulletin mentioned property disposal and advocated the principle underlying today's disposal operations—reuse of serviceable equipment.

Materiel disposition assumed considerable importance at the end of World War I when the Army found itself with vast quantities of equipment and supplies for which it had no foreseeable use.

Again in the post World War II period, with the end of hostilities in August 1945, Army inventories scattered throughout Europe and the Pacific became a major problem. Numerous items were abandoned in place on many islands in the Southwest Pacific. However, the loss of military surplus in this area was not of major proportions, and eventually, much of it was recovered, repaired, and used during the Korean conflict.

The disposal problem again surfaced when fighting in Korea stopped, but the difficulties were not worldwide in scope as in World War II. Disposal did prove costly, however, since large amounts of surplus materiel were shipped to U.S. bases in Japan with little consideration given to its effective use.

Resolved that we would not be caught in similar circumstances again, Army logisticians were prepared to act when the rapid phasedown in Vietnam began. In late 1967 and early 1968, as soon as the urgent requirement for rapid buildup in-country began to stabilize, logistics personnel turned efforts to the identification and disposition of materiel.

The first, and by no means the simplest, step was to identify, classify, and document the materiel whose identity had been lost. Special programs were instituted to create space in depot areas for possible reorganization and inventory. Large quantities of materiel were moved to offshore locations where it was identified, documented, and repackaged for return to Army inventory. Then, an extensive effort was begun to identify excess materiel in-country even as combat continued. Continental Army Command and Army Materiel Command personnel were used on a temporary duty basis to assist in reconciling the wide variance between depot records and actual inventories. These efforts included the first wall-to-wall inventory of Army depots in a combat theater.

Department of the Army logistics planning in support of the eventual redeployment of United States Forces from Vietnam was begun during the latter part of 1968. Initial action was to turn off the valve con-

trolling the supply pipeline in continental United States (CONUS).

A program entitled STOP/SEE was begun to re-examine the need for items on order and to stop shipments and cancel requisitions if the original requirements no longer existed. Items no longer required that were already on their way to Vietnam were diverted to depots. Excesses were screened and were used to fill some of the needs of the Republic of Vietnam armed forces.

A coordinated and highly effective program was put into operation to move unneeded serviceable equipment and supplies to other areas of the Pacific as well as to CONUS. Other programs, including a distribution system operated by the Pacific Utilization Redistribution Agency (PURA) in Okinawa, were established to screen reported excesses against the supply requirements of Pacific commands.

As part of the retrograde action, decisions of CONUS national inventory control point managers to ship, retain, or dispose are expedited. The inventory managers can request shipments to CONUS of any materiel surviving the geographical screening. If the CONUS manager does not need the materiel, it is reported to the Defense Logistics Services Center, Battle Creek, Michigan, for screening throughout the Department of Defense (DOD). Materiel unclaimed by DOD agencies becomes excess and can be issued to the Military Assistance Program and other eligible agencies. Materiel not needed by these agencies is shipped to

Smelting of aluminum has considerably increased sales prices.



property disposal activities without further formal screening. More economical and efficient reductions of excesses are achieved through these coordinated programs.

Army troop strength in Vietnam dropped from 190,000 in July 1971 to fewer than 33,000 by 30 June 1972. As more and more units stood down or re-deployed, tons of equipment became surplus to in-country requirements. Despite the turnover in trained personnel and the dwindling manpower available, nearly two million short tons of equipment, with an estimated value of approximately \$5 billion, had been moved out of Vietnam by June 1972. The remainder at that time, including the materiel required to support the 1 July 1972 force level, amounted to less than 90,000 short tons and was no longer an important factor in force planning.

Property disposal managers are vitally interested in finding authorized users for surplus materiel. Every effort is made to insure that agencies authorized by the Federal Government are given an opportunity to obtain the property before it is offered for public sale. In this respect disposal specialists work closely with representatives of many agencies, such as the U. S. Agency for International Development, Trust Territories of the Pacific, General Services Administration (GSA), and the Department of Health, Education, and Welfare.

In Vietnam alone, close cooperation between the Army and other Federal activities resulted in the redistribution of \$36 million of Army and DOD surplus property during fiscal year 1971. Much of this property was returned to CONUS as part of Project Home Run, a joint DOD-GSA endeavor. Project Home Run was designed to provide excess DOD materiel to other Federal, state, and local agencies. This property is put to use in Veterans' Administration hospitals, in the training of the unemployed and underprivileged, in pollution control, in conservation, and in law enforcement. All the items are in usable condition, requiring little or no repair. After the completion of all screening by authorized agencies, all remaining property is prepared for disposition by formal sale.

Property disposal in Vietnam was a Military Assistance Command, Vietnam, responsibility until 1966. However, with the buildup of U. S. Forces, the mission was transferred to the Army. All services are authorized to turn property in to Army disposal holding activities located at Da Nang, Qui Nhon, Cam Ranh Bay, or Long Binh. The Army sales office, in Saigon, is under the staff supervision of the deputy chief of staff for logistics, U. S. Army, Vietnam. After redistribution screening, this office advertises and sells property reported by the four disposal yards.



Items waiting local screening at the Long Binh disposal yard.

Sales planning is extremely important and requires close cooperation between the holding yards and the Army sales office to insure the best possible monetary return to the U. S. Government.

Effective merchandising techniques and methods are used. Similar types of materiel are assembled in a group to attract potential customers and to give both large and small buyers an equal opportunity to bid. Commercial descriptions are used to identify property offered for sale. All pertinent information is provided. Normally, items offered for sale are separated and displayed in a manner that permits the potential buyer to examine and inspect the merchandise before submitting a bid.

The Disposal Agency, Vietnam, is prepared to sell all property no longer needed and, in addition to equipment, the agency negotiates the sale of trash, wood, garbage, waste oil, and rubber.

In fiscal year 1972 the scrap inventory in Vietnam was reduced from 260,000 to approximately 100,000 short tons. Items valued in excess of \$87 million that were usable but failed to meet U. S. military standards and could not be economically returned to CONUS were redistributed to allied agencies or were sold during the year.

By December 1971, the return realized on items disposed of in Vietnam began to decline. In-country markets were becoming saturated and buyers desiring to ship the materiel they had purchased experienced difficulties due to the tactical situation. The closing of many port facilities and the transfer of others to Vietnamese control added to the difficulties.

In January 1972, the Property Disposal Agency, seeking to develop more lucrative offshore markets,

successfully conducted a test sale in Singapore. A gross return of over 20 percent was realized and further sales were conducted in Singapore and in the Philippines. Bearing in mind that the items disposed of were not needed by the U. S. military or other Government agencies, could not be economically repaired or returned, and in most cases had seen long and hard service in Vietnam, the percentage of return was remarkably high. Just as any enterprising business management would seek new and profitable markets, the Property Disposal Agency now has sales outlets in Singapore, the Philippines, and Japan.

In addition to direct monetary benefit, property disposal operations have contributed to the economic development of the Republic of Vietnam. As an example, the Vietnamese transportation, construction, and steel manufacturing industries have been given a boost through their participation in the Army disposal sales program. Property disposal managers can no longer be considered the "junk men" of the Army. They are an important part of the logistics team that assures maximum effective use of the materiel the U. S. Government entrusts to the Army. Through their dedicated effort, they not only relieve the Army of unneeded items but bring needed dollars back to the U. S. Treasury.

This complete implementation of life cycle management of materiel in support of active combat establishes a new level in combat service support and is in the highest tradition of the Army logistician. **ALOG**

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